

**EOG Resources, Inc.**  
**P.O. 1910**  
**Vernal, UT 84078**

July 25, 2005

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

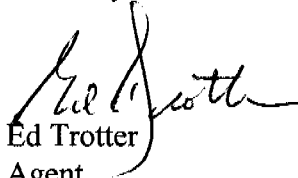
RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 1001-27  
NW/NW, SEC. 27, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0285A  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420

Sincerely,



Ed Trotter

Agent  
EOG Resources, Inc.

Attachments

CWU 1001-27 B

RECEIVED  
JUL 28 2005  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

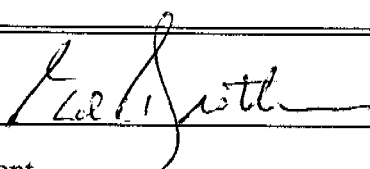
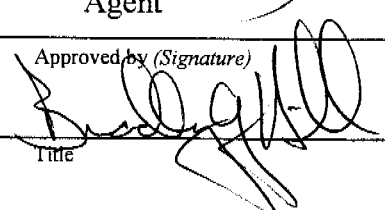
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0285A</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1001-27</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-36423</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>674' FNL, 874' FWL 633848X 40.012457 NW/NW</b> At proposed prod. Zone <b>4430108Y -109.431748</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 27, T9S, R22E, S.L.B.&amp;M.</b>		12. County or Parish <b>UINTAH</b>
13. State <b>UTAH</b>		14. Distance in miles and direction from nearest town or post office* <b>19.45 MILES SOUTHEAST OF OURAY, UTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>674'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>1800</b>	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>9425'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4935.9 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>
24. Attachments		

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>July 25, 2005</b>
Title <b>Agent</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III</b>	Date <b>08-02-05</b>
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

**RECEIVED**  
**JUL 28 2005**  
DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

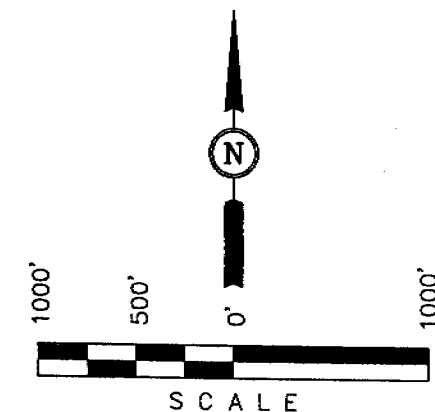
Well location, CWU #1001-27, located as shown in the NW 1/4 of Section 27, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

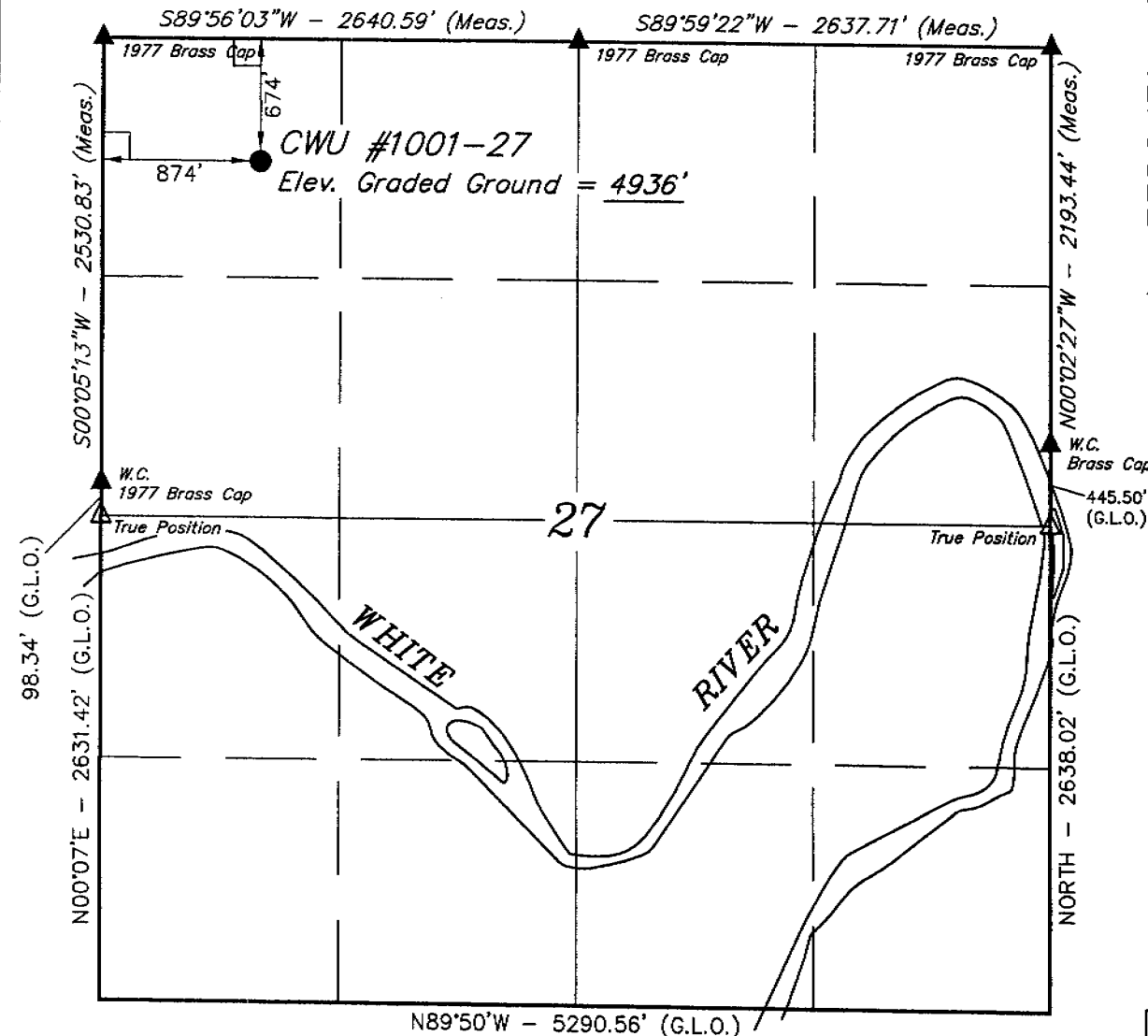
*Robert H. Kay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

### UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-02-05	DATE DRAWN: 5-06-05
PARTY G.S. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	



### LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

△ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD (Not Set on Ground).

(NAD 83)  
LATITUDE = 40°00'44.60" (40.012392)  
LONGITUDE = 109°25'56.73" (109.432425)

(NAD 27)  
LATITUDE = 40°00'44.73" (40.012425)  
LONGITUDE = 109°25'54.27" (109.431742)

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1001-27**  
**NW/NW, SEC. 27, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,540'
Wasatch	4,631'
North Horn	6,561'
Island	6,993'
KMV Price River	7,294'
KMV Price River Middle	7,983'
KMV Price River Lower	8,788'
Sego	9,234'

Estimated TD: **9,425' or 200'± below Sego top**

**Anticipated BHP: 5,143 Psig**

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	9,425±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1001-27**  
**NW/NW, SEC. 27, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1001-27**  
**NW/NW, SEC. 27, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Production Hole Procedure (2300'± - TD)**

**Lead:** 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 732 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** Number of sacks is based on gauged hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

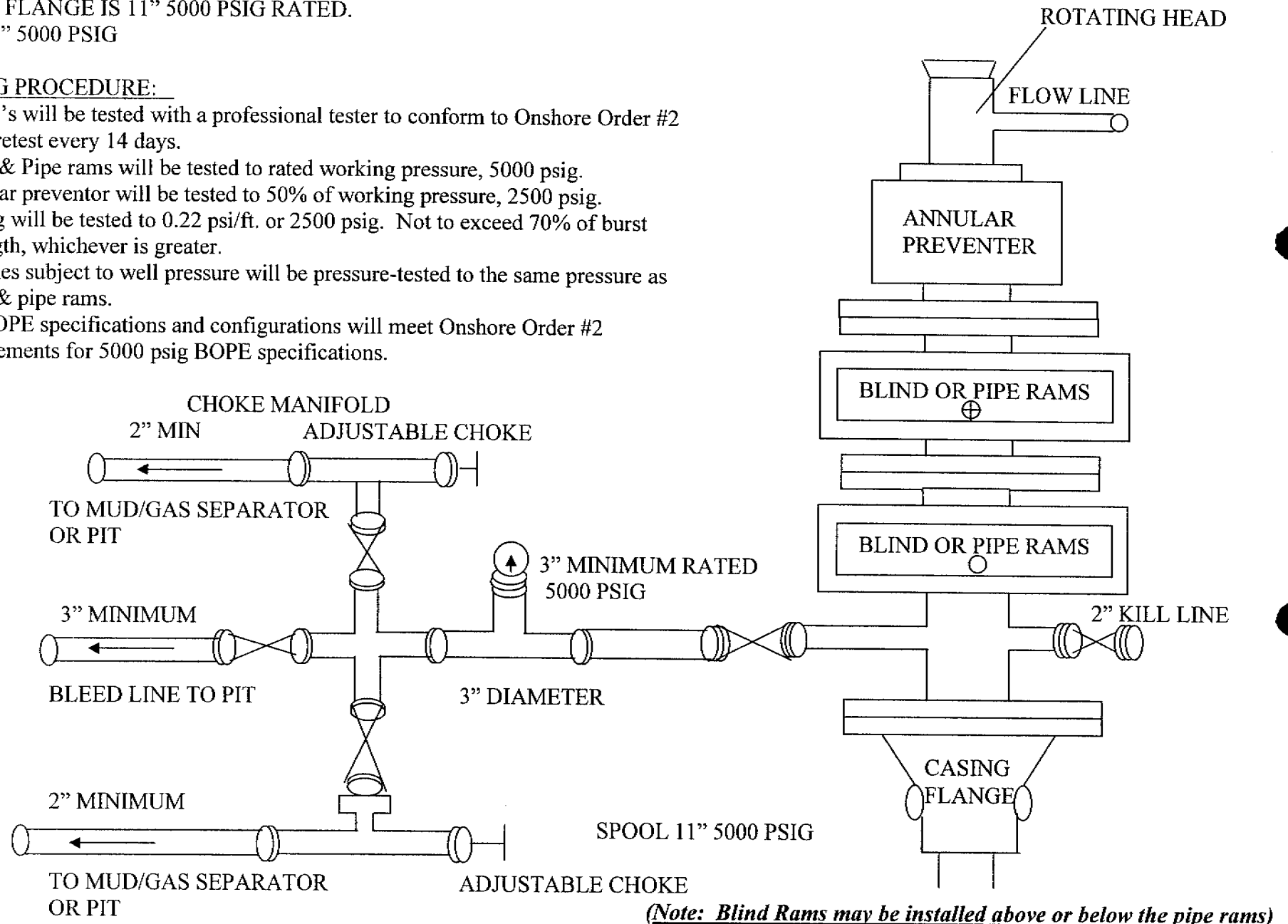
(Attachment: BOP Schematic Diagram)

## 5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.  
CASING FLANGE IS 11" 5000 PSIG RATED.  
BOPE 11" 5000 PSIG

### TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 1001-27</u>
Lease Number:	<u>U-0285A</u>
Location:	<u>674' FNL &amp; 874' FWL, NW/NW, Sec. 27,</u> <u>T9S, R22E, S.L.B.&amp;M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and  
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related  
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production  
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.



## **THIRTEEN POINT SURFACE USE PROGRAM**

### **1. EXISTING ROADS**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 19.45 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### **2. PLANNED ACCESS ROAD**

- A. An existing access road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 5\*
- B. Producing wells - 39\*
- C. Shut in wells - 1\*

(\*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the West side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction

in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore

hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

**The reserve pit shall be lined with felt and a 12 millimeter plastic liner.**

**8. ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

**9. WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
  - Four-Wing Salt Bush – 3 pounds per acre
  - Indian Rice Grass – 2 pounds per acre
  - Needle and Thread Grass – 2 pounds per acre
  - Hi-Crest Crested Wheat Grass – 4 pounds per acre.

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Southwest of Corner #5. The stockpiled location topsoil will be stored Southeast and North of Corner #6 Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Southeast.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## **10. PLANS FOR RESTORATION OF SURFACE**

### **A. PRODUCING LOCATION**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast

seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

**B. DRY HOLE/ABANDONED LOCATION**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

**11. SURFACE OWNERSHIP**

Access road: Federal

Location: Federal

**12. OTHER INFORMATION**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the

application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

**X No construction or drilling activities shall be conducted between February 1 and July 15 due to Golden Eagle stipulations.**

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Telephone: (435)789-4120  
Fax: (435)789-1420

**DRILLING OPERATIONS**

Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1001-27 Well, located in the NW/NW of Section 27, T9S, R22E, Uintah County, Utah; Lease #U-0285A;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

7-25-2005

Date

Red Smith

Agent



EOG RESOURCES, INC.  
CWU #1001-27  
SECTION 27, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND THE EXISTING ACCESS ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE CWU #359-2N AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.5 MILES.

# EOG RESOURCES, INC.

CWU #1001-27

LOCATED IN UINTAH COUNTY, UTAH

SECTION 27, T9S, R22E, S.L.B.&M.

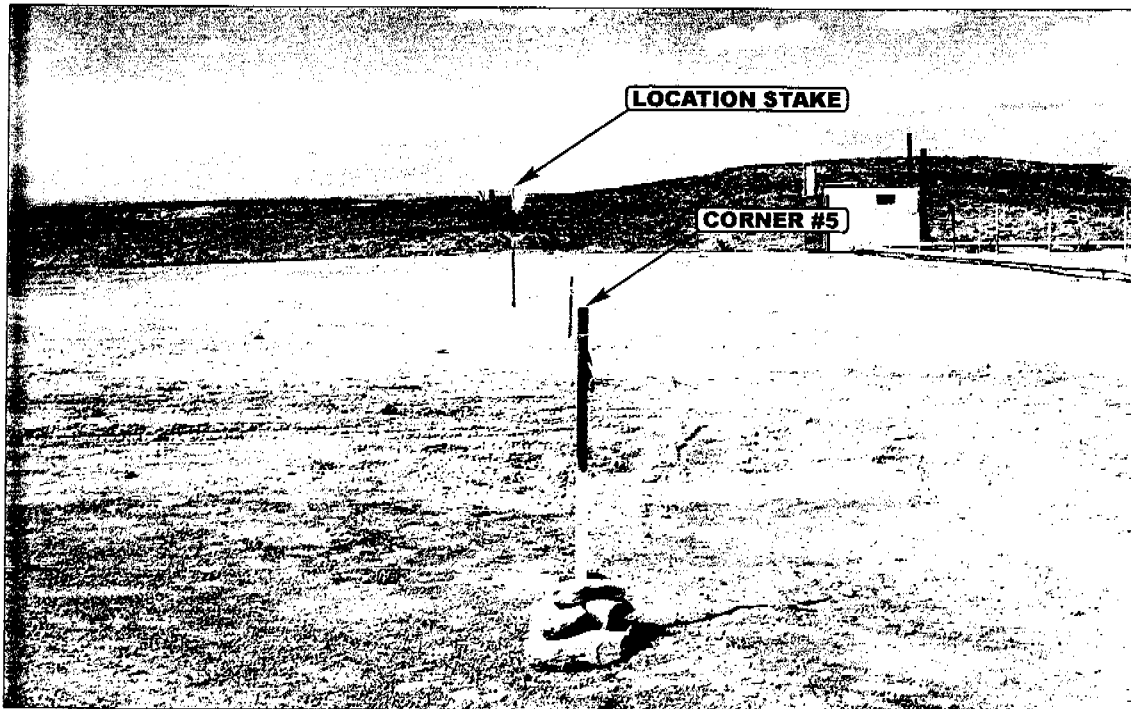


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

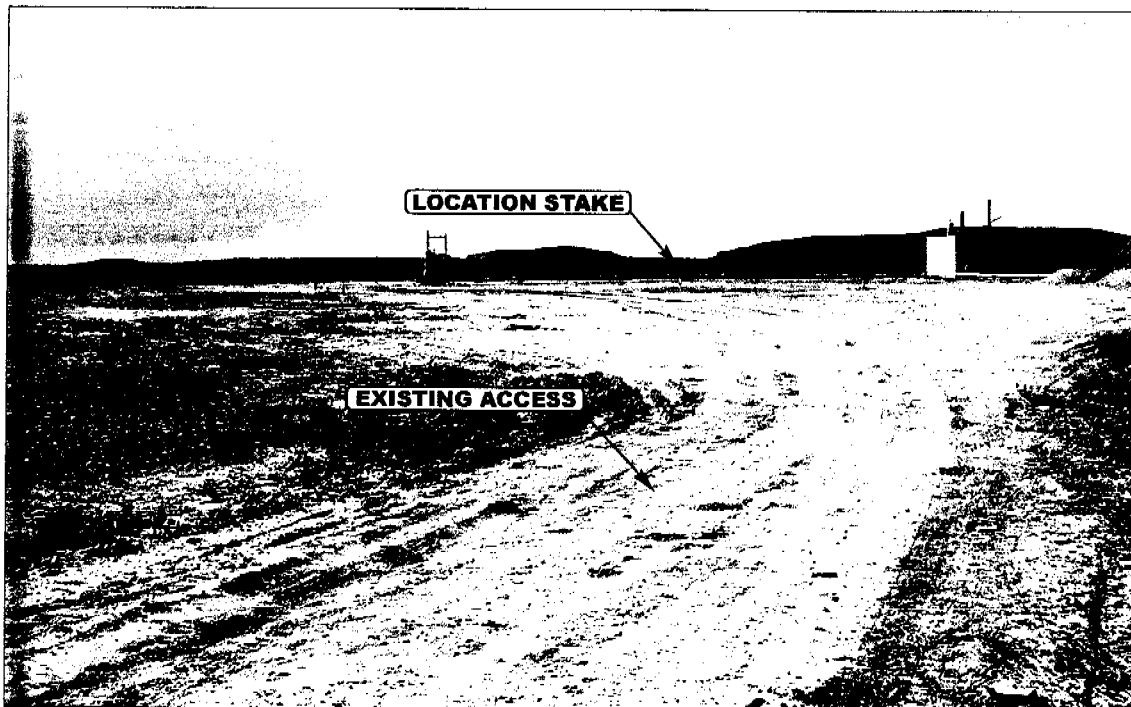


PHOTO: VIEW FROM EXISTING ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

**E&L**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05  
MONTH

03  
DAY

05  
YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: S.L.

REVISED: 00-00-00

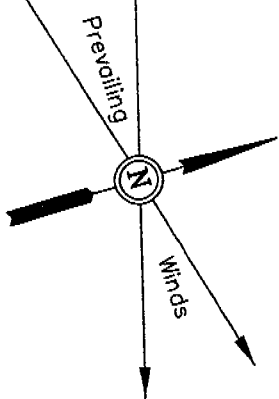
# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

CWU 1001-27

SECTION 27, T9S, R22E, S.L.B.&M.

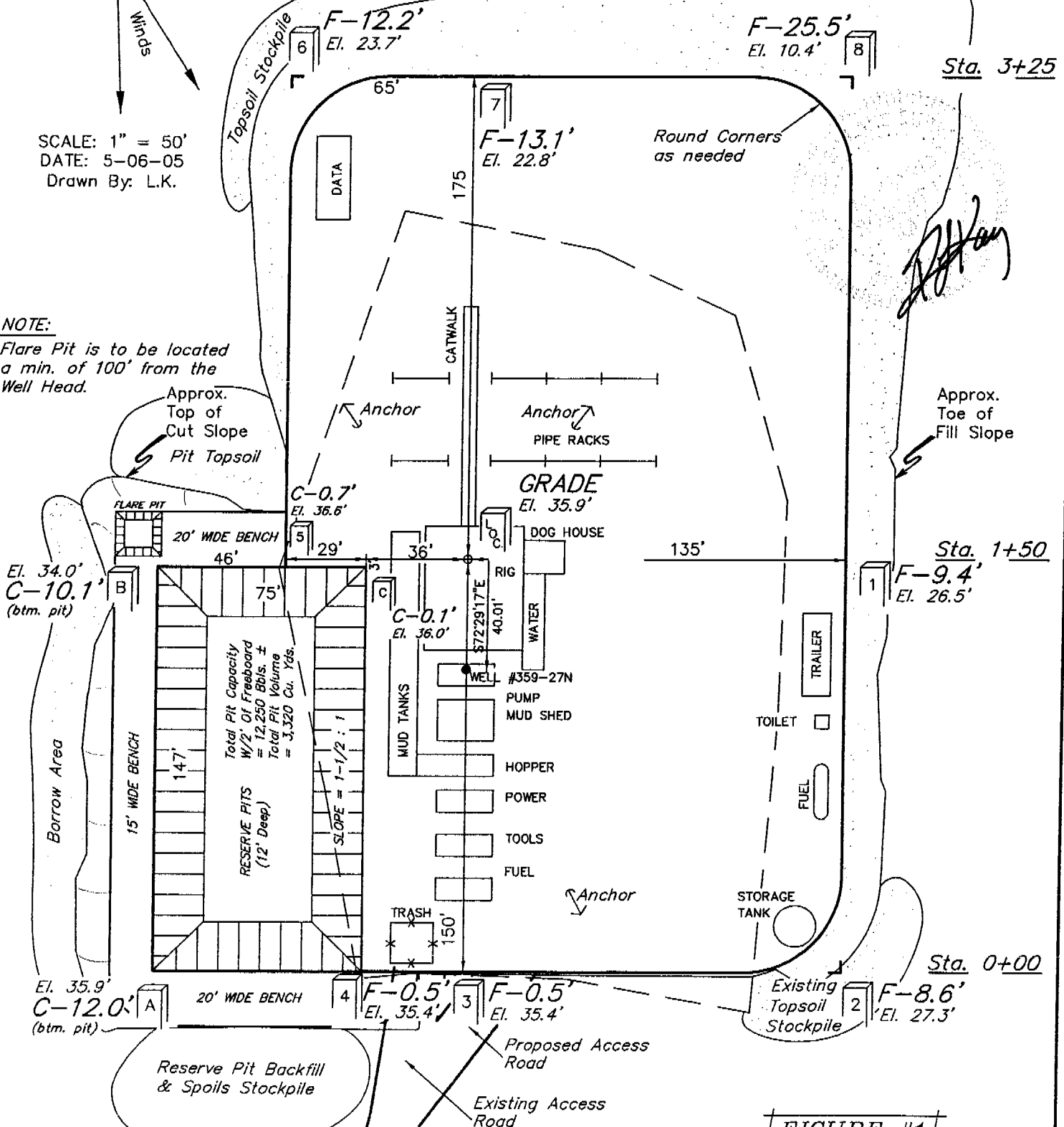
674' FNL 874' FWL



SCALE: 1" = 50'  
DATE: 5-06-05  
Drawn By: L.K.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



### NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4935.9'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# EOG RESOURCES, INC.

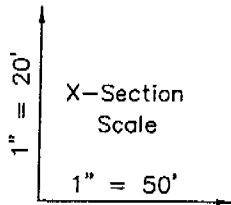
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

CWU 1001-27

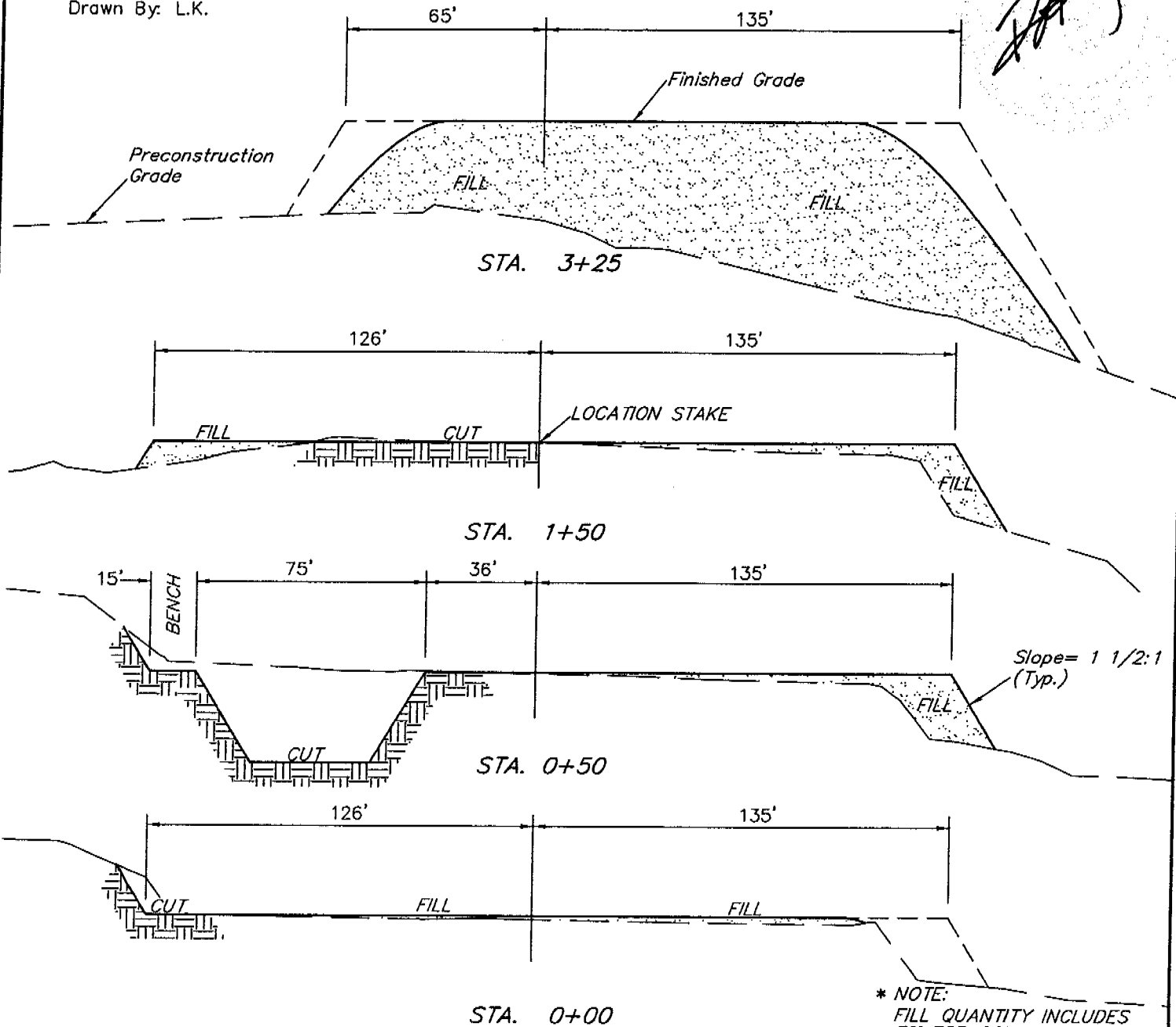
SECTION 27, T9S, R22E, S.L.B.&M.

674' FNL 874' FWL



DATE: 5-06-05

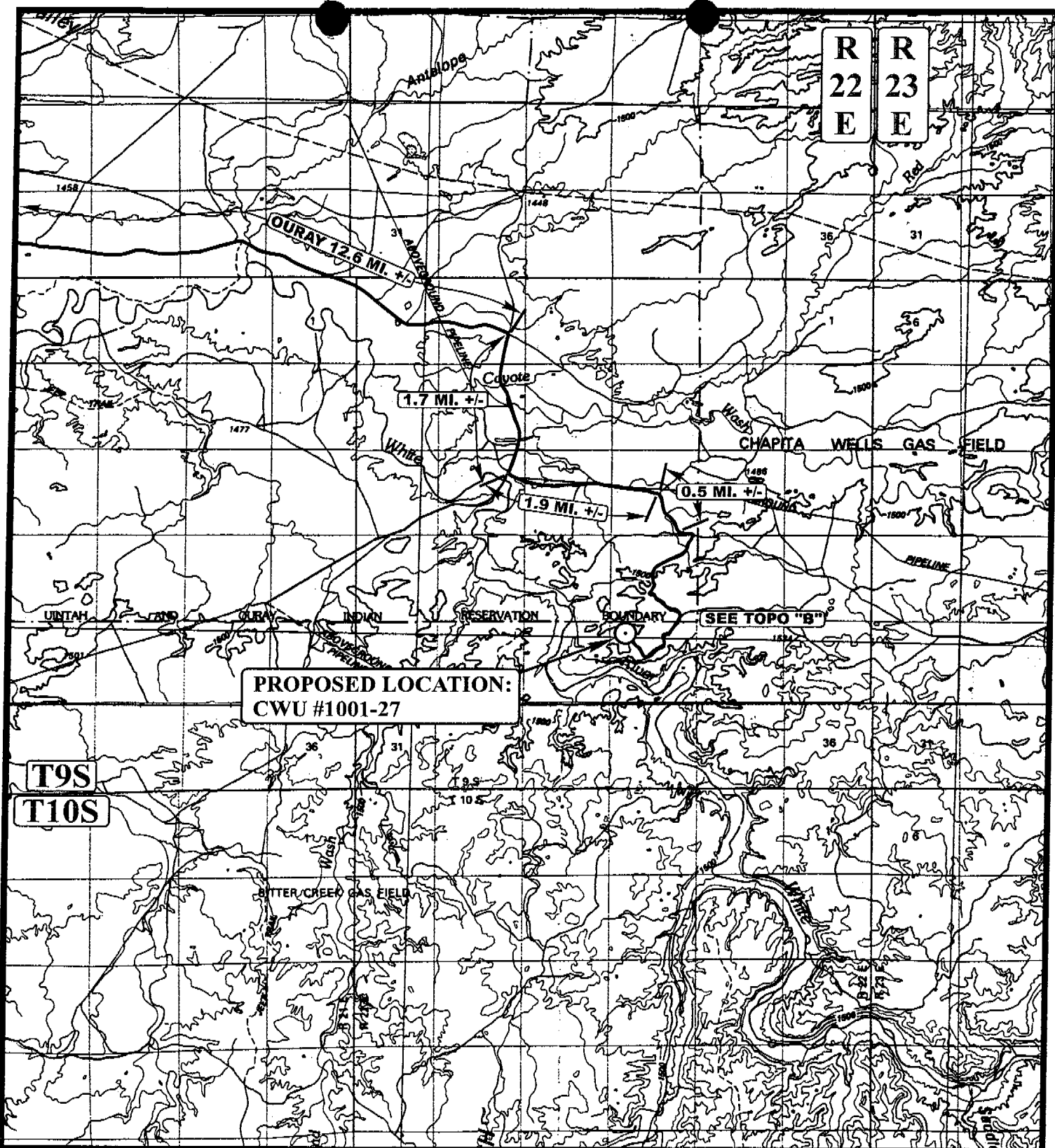
Drawn By: L.K.



### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,820 Cu. Yds.
(New Construction Only)	
Remaining Location	= 4,070 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,890 CU.YDS.</b>
<b>FILL</b>	<b>= 11,920 CU.YDS.</b>

DEFICIT MATERIAL	= <6,030> Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,480 Cu. Yds.
DEFICIT UNBALANCE (After Rehabilitation)	= <9,510> Cu. Yds.



# LEGEND:

○ PROPOSED LOCATION

## EOG RESOURCES, INC.

CWU #1001-27  
SECTION 27, T9S, R22E, S.L.B.&M.  
674' FNL 874' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

05 03 05  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00

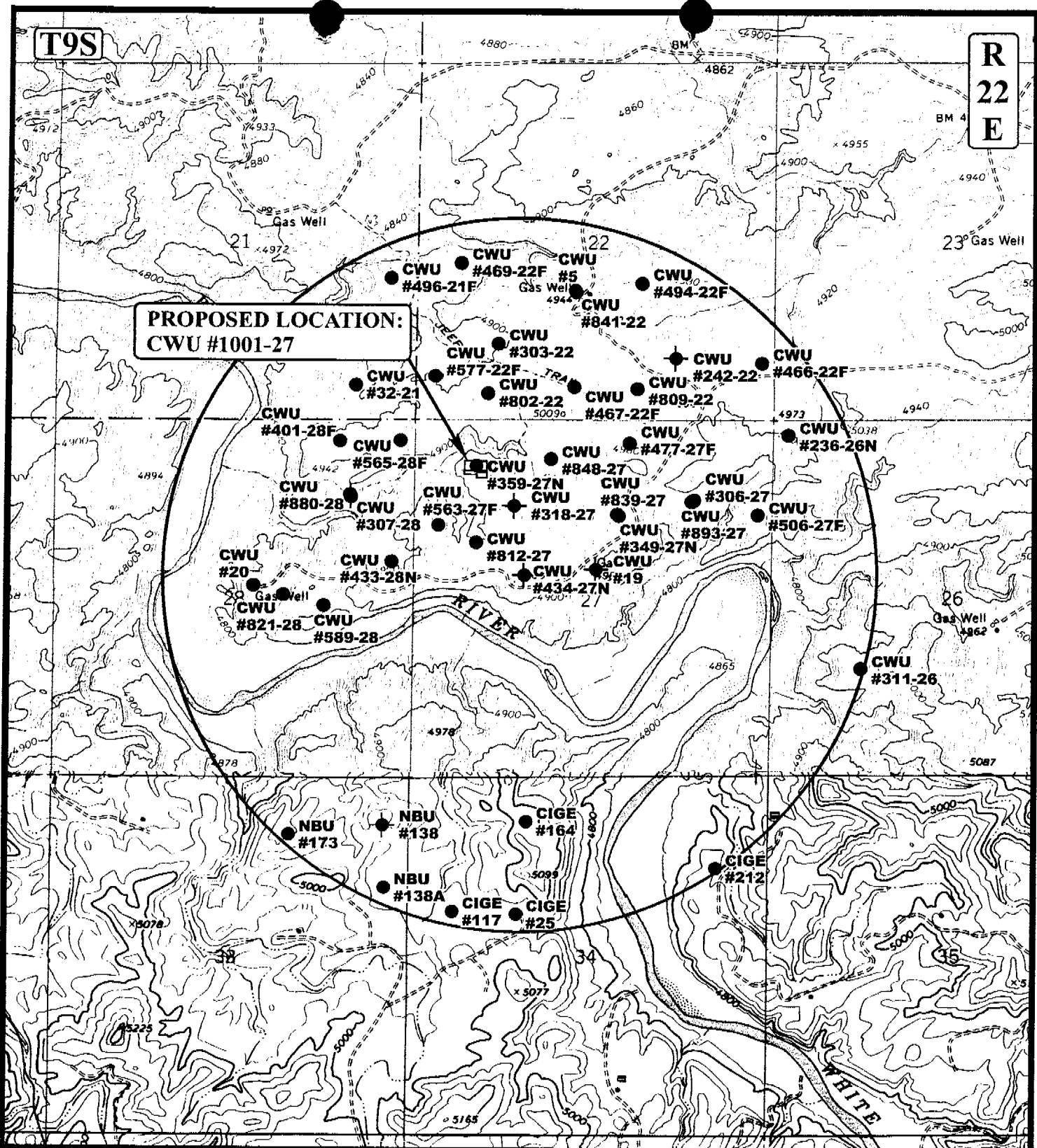




T9S

R  
22  
E

PROPOSED LOCATION:  
CWU #1001-27



## LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS  | ○ WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



EOG RESOURCES, INC.

CWU #1001-27

SECTION 27, T9S, R22E, S.L.B.&amp;M.

674' FNL 874' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

05 03 05  
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: S.L.

REVISED: 00-00-00

C  
TOPO

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/28/2005

API NO. ASSIGNED: 43-047-36923

WELL NAME: CWU 1001-27

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWNW 27 090S 220E

SURFACE: 0674 FNL 0874 FWL

BOTTOM: 0674 FNL 0874 FWL

UINTAH

NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0285A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.01246

LONGITUDE: -109.4318

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 49-1501 )

☒ RDCC Review (Y/N)

(Date: \_\_\_\_\_ )

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-1999

Siting: Suspends General Siting

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approved  
2- Oil Shale





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160

(UT-922)

August 1, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Price River)		
43-047-36917	CWU 1000-22 Sec 22 T09S R22E 0509 FSL 2326 FWL	
43-047-36918	CWU 999-22 Sec 22 T09S R22E 2321 FSL 0692 FWL	
43-047-36919	CWU 1008-22 Sec 22 T09S R22E 1956 FNL 0212 FEL	
43-047-36920	CWU 1006-22 Sec 22 T09S R22E 0848 FSL 0132 FEL	
43-047-36921	CWU 1009-22 Sec 22 T09S R22E 2170 FNL 2105 FWL	
43-047-36922	CWU 1005-27 Sec 27 T09S R22E 0342 FNL 2155 FEL	
43-047-36923	CWU 1001-27 Sec 27 T09S R22E 0674 FNL 0874 FWL	
43-047-36924	CWU 1003-28 Sec 28 T09S R22E 2099 FNL 0353 FEL	
43-047-36925	CWU 1033-19 Sec 19 T09S R23E 2179 FNL 1895 FEL	
43-047-36928	CWU 553-30F Sec 30 T09S R23E 1859 FNL 1935 FEL	
43-047-36926	CWU 816-28 Sec 28 T09S R23E 1080 FSL 0713 FEL	
43-047-36927	CWU 815-28 Sec 28 T09S R23E 0624 FSL 1723 FWL	
43-047-36929	CWU 1070-34 Sec 34 T09S R23E 1905 FNL 0733 FWL	
43-047-36930	CWU 1073-34 Sec 34 T09S R23E 0702 FNL 1880 FWL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

August 2, 2005

EOG Resources Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Chapita Wells Unit 1001-27 Well, 674' FNL, 874' FWL, NW NW, Sec. 27,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36923.

Sincerely,

Gil Hunt  
Acting Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office



Operator: EOG Resources Inc.  
Well Name & Number Chapita Wells Unit 1001-27  
API Number: 43-047-36923  
Lease: U-0285A  
Location: NW NW                      Sec. 27                      T. 9 South                      R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

43-047-34923  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, UT 84078

September 14, 2005

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801  
Attn: Diana Whitney

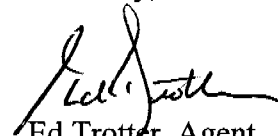
RE: : Corrected APD document  
CHAPITA WELLS UNIT 1001-27  
NW/NW, SEC. 27, T9S, R22E, S.L.B. & M.  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0285A  
FEDERAL LANDS

Enclosed please find a corrected copy of the Survey Plat for the above-entitled well. The correct quarter/quarter has been added. Please substitute this page for the Survey Plat Layout sheet submitted July 25, 2005.

Sorry for any inconvenience.

Thank you for your attention to this matter.

Sincerely,



Ed Trotter, Agent  
EOG Resources, Inc.  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420  
E-mail: edtrotter@easilink.com

RECEIVED

SEP 15 2005

DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

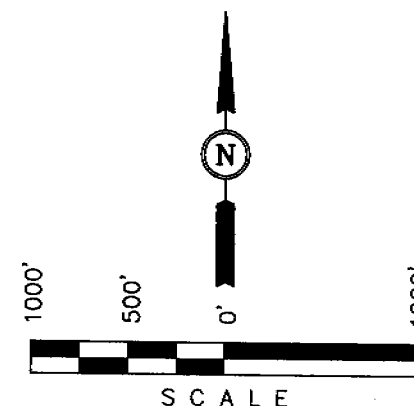
Well location, CWU #1001-27, located as shown in the NW 1/4 NW 1/4 of Section 27, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

### BASIS OF BEARINGS

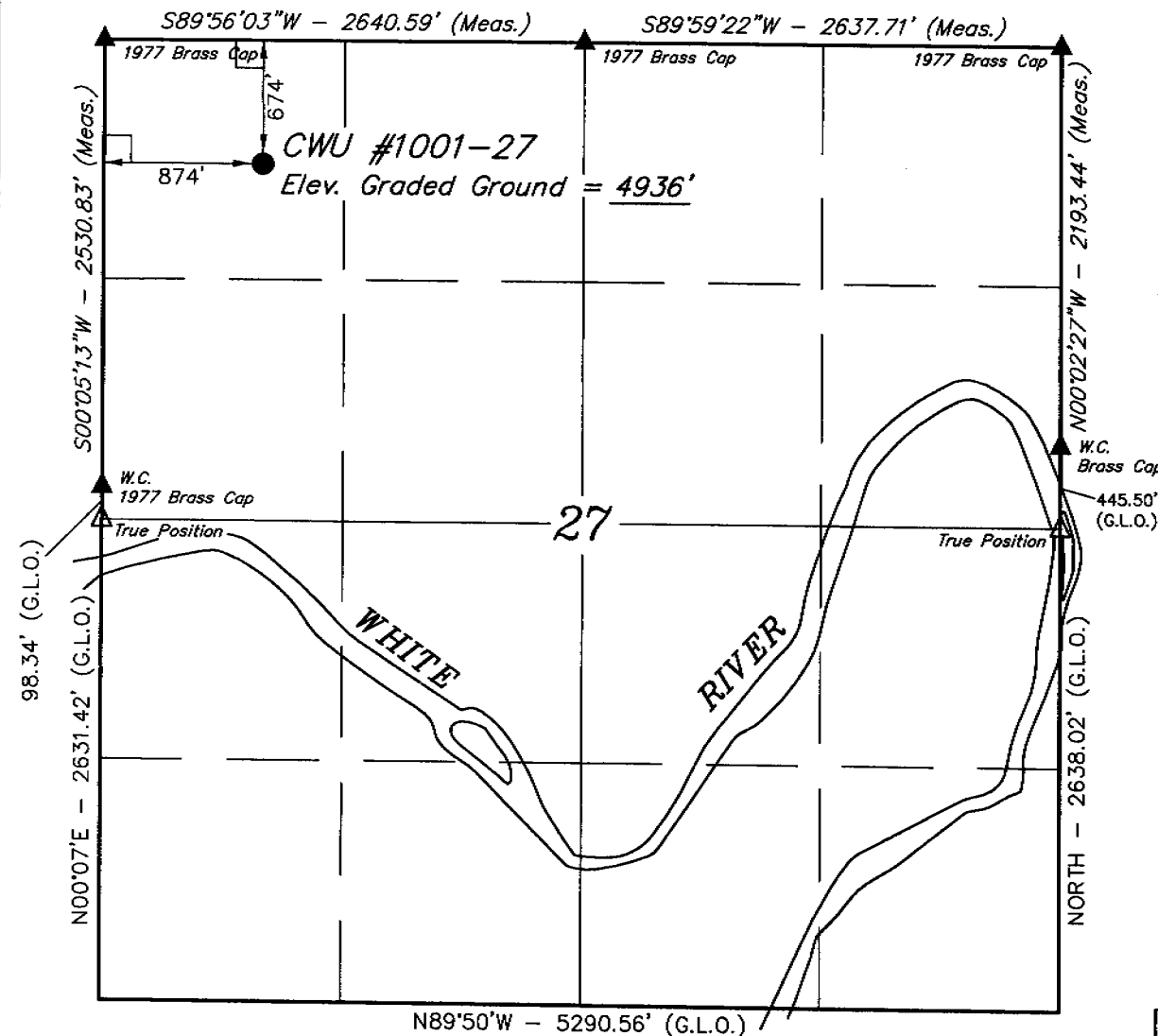
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert H. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 461319  
STATE OF UTAH



### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD (Not Set on Ground).

(NAD 83)  
LATITUDE = 40°00'44.60" (40.012392)  
LONGITUDE = 109°25'56.73" (109.432425)  
(NAD 27)  
LATITUDE = 40°00'44.73" (40.012425)  
LONGITUDE = 109°25'54.27" (109.431742)

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-02-05	DATE DRAWN: 5-06-05
PARTY G.S. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

JUL 27 2005

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
**EOG RESOURCES, INC.**

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**

3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface **674' FNL, 874' FWL**

**NW/NW**

At proposed prod. Zone

5. Lease Serial No.

**U-0285A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

**CHAPITA WELLS UNIT**

8. Lease Name and Well No.

**CHAPITA WELLS UNIT 1001-27**

9. API Well No.

**43-047-36923**

10. Field and Pool, or Exploratory

**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 27, T9S, R22E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*

**19.45 MILES SOUTHEAST OF OURAY, UTAH**

12. County or Parish

**UINTAH**

13. State

**UTAH**

15. Distance from proposed\*

location to nearest  
property or lease line, ft. **674'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

**1800**

17. Spacing Unit dedicated to this well

18. Distance from proposed location\*

to nearest well, drilling, completed,  
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

**9425'**

20. BLM/BIA Bond No. on file

**NM-2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

**4935.9 FEET GRADED GROUND**

22. Approximate date work will start\*

**UPON APPROVAL**

23. Estimated duration

**45 DAYS**

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Name (Printed/Typed)

**Ed Trotter**

**RECEIVED**

Date

**July 25, 2005**

Title

**Agent**

**NOV 08 2005**

**DIV. OF OIL, GAS & MINING**

Approved by (Signature)

Name (Printed/Typed)

Date

Title

**Assistant Field Manager  
Mineral Resources**

Office

**10/13/2005**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**NOTICE OF APPROVAL**

**CONDITIONS OF APPROVAL ATTACHED**



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO  
DRILL**

Company: EOG Resources Inc  
Well No: CWU 1001-27

Location: NWNW Sec 27, T9S, R22E  
Lease No: UTU-0285A

Petroleum Engineer: Matt Baker  
Petroleum Engineer: Michael Lee  
Supervisory Petroleum Technician:  
Jamie Sparger

Office: 435-781-4490 Cell: 435-828-4470  
Office: 435-781-4432 Cell: 435-828-7875  
Office: 435-781-4502 Cell: 435-828-3913

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval.. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.



### *Downhole Conditions of Approval*

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. Top of cement for the production casing shall be at a minimum of 2100'
2. Surface casing shoe integrity test shall be performed.

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.
9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.  
  
All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities

will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location ( $\frac{1}{4}$  Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to

the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt

The pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. The operator may request in writing an exception to this COA. Exceptions to this COA may include but are not limited to: laterally extensive, hard indurated bedrock, such as sandstone, which is at or within 2 feet of the surface; and, soil types with a poor history for successful rehabilitation. The exception request will be reviewed by the authorized officer (AO) and a determination made.

Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0285A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-0790		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1001-27
9. API NUMBER: 43-047-36923		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 674 FNL 874 FWL 40.012392 LAT 109.432425 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 27 9S 22E S.L.B. & M

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 07-17-2006

By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner

TITLE Regulatory Assistant

SIGNATURE [Signature]

DATE 7/17/2006

(This space for State use only)

9128104  
RM

RECEIVED

JUL 20 2006

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-36923  
**Well Name:** CHAPITA WELLS UNIT 1001-27  
**Location:** 674 FNL 874 FWL (NWNW), SECTION 27, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 8/2/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

7/17/2006

Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

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JUL 20 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

OCT 10 2006

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

Lease Serial No.

U-0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1001-27

9. API Well No.

43-047-36923

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other

2. Name of Operator

EOG Resources, Inc.

3a. Address

600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)

303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

674' FNL & 874' FWL (NW/NW)

Sec. 27-T9S-R22E 40.012392 LAT 109.432425 LON

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD Renewal
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests the APD for the referenced well originally approved 10/13/2005 be extended for one year.

RECEIVED  
OCT 23 2006

CONDITIONS OF APPROVAL ATTACHED  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date

10/06/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Mark Baker

Petroleum Engineer

Date

OCT 10 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UDOGM

# **CONDITIONS OF APPROVAL**

## **EOG Resources Inc.**

### **Notice of Intent APD Extension**

**Lease:** UTU-0285A  
**Well:** CWU 1001-27  
**Location:** NWNW Sec 27-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 10/13/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490



## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1001-27

Api No: 43-047-36923 Lease Type: FEDERAL

Section 27 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

### **SPUDDED:**

Date 12/09/06

Time 1:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KYLAN COOK

Telephone # (435) 790-8236

Date 12/11/2006 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc.  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202

Operator Account Number: N 9550  
Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36834	Chapita Wells Unit 700-3GR	SENE	3	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15829	12/10/2006	12/13/06		
Comments: <u>GRRV</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36823	East Chapita 10-4	NESW	4	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15830	12/9/2006	12/13/06		
Comments: <u>PRRV = MVRD</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36923	Chapita Wells Unit 1001-27	NWNW	27	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13650	12/9/2006	12/13/06		
Comments: <u>PRRV = MVRD</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

12/11/2006

Date

RECEIVED

DEC 11 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**674' FNL & 874' FWL (NW/NW)  
Sec. 27-T9S-R22E 40.012392 LAT -109.432425 LON**

5. Lease Serial No.

**U-0285A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 1001-27**

9. API Well No.

**43-047-36923**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Mesaverde**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Well spud</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well spud on 12/9/2006.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**12/11/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**DEC 13 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**674' FNL & 874' FWL (NW/NW)  
Sec. 27-T9S-R22E 40.012392 LAT -109.432425 LON**

5. Lease Serial No.  
**U-0285A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Chapita Wells Unit**

8. Well Name and No.  
**Chapita Wells Unit 1001-27**

9. API Well No.  
**43-047-36923**

10. Field and Pool, or Exploratory Area  
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11. County or Parish, State  
**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Chapita Wells Unit 550-30N SWD**
- 3. Ace Disposal**
- 4. RN Industries**

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
**FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**12/11/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**DEC 13 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**674' FNL & 874' FWL (NW/NW)  
Sec. 27-T9S-R22E 40.012392 LAT -109.432425 LON**

5. Lease Serial No.

**U-0285A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 1001-27**

9. API Well No.

**43-047-36923**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Mesaverde**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well was turned to sales on 2/20/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**02/21/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**FEB 22 2007**

**DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 02-21-2007

<b>Well Name</b>	CWU 1001-27	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-36923	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	12-28-2006	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,425/ 9,425	<b>Property #</b>	055572
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,949/ 4,936				
<b>Location</b>	Section 27, T9S, R22E, NWNW, 674 FNL & 874 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	52.912	<b>NRI %</b>	45.635

AFE No		303051		AFE Total		1,813,900		DHC / CWC		887,100/ 926,800													
Rig Contr		TRUE		Rig Name		SICP 0 PSIG. CLEANED OUT & DRIL		Start Date		08-02-2005		Release Date		01-11-2007									
Rig Contr		TRUE		Rig Name		TRUE #27		Start Date		08-02-2005		Release Date		01-11-2007									
08-02-2005		Reported By		CINDY VAN RANKEN																			
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0													
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0													
MD		0		TVD		0		Progress		0		Days		0		MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0											

## Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA 674' FNL & 874' FWL (NW/NW) SECTION 27, T9S, R22E UINTAH COUNTY, UTAH
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LAT 40.012425, LONG 109.431742 (NAD 27)

RIG: TRUE #27

OBJECTIVE: 9425' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA WELLS DEEP

NATURAL BUTTES FIELD

LEASE: U-0285-A

ELEVATION: 4935.9' NAT GL, 4935.9' PREP GL (DUE TO ROUNDING THE PREP WILL BE 4936'), 4949' KB (13')

EOG WI 50%, NRI 43.5%

11-28-2006 Reported By TERRY CSERE

DailyCosts: Drilling 0 Completion \$0

Daily Total

Cum Costs: Drilling Completion \$0

Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION STARTED

11-29-2006 Reported By TERRY CSERE

DailyCosts: Drilling Completion \$0

Daily Total

Cum Costs: Drilling Completion \$0

Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION 40% COMPLETE.

11-30-2006 Reported By TERRY CSERE

DailyCosts: Drilling Completion \$0

Daily Total

Cum Costs: Drilling Completion \$0

Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION 50% COMPLETE.

12-01-2006 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0

Daily Total \$0

Cum Costs: Drilling Completion \$0

Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION IS 60% COMPLETE.

12-04-2006 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0

Daily Total \$0

Cum Costs: Drilling Completion \$0

Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION IS 60% COMPLETE.

12-05-2006 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling Completion \$0 Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION IS 70% COMPLETE.

12-06-2006 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling Completion \$0 Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION IS 80% COMPLETE.

12-07-2006 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling Completion \$0 Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 ROCKED OUT. DRILLING PIT.

12-08-2006 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling Completion \$0 Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 SHOOTING PIT.

12-11-2006 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling Completion \$0 Well Total

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 PUSHING OUT PIT.



12-12-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	40	TVD	40	Progress	0
		Days	0	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD AN 20" HOLE ON 12/9/2006 @ 1:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. KYLAN COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 12/9/2006 @ 12:30 PM.

12-19-2006 Reported By JERRY BARNES

Daily Costs: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling		Completion	\$0	Well Total	
MD	2,438	TVD	2,438	Progress	0
		Days	0	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 12/11/2006. DRILLED 12-1/4" HOLE TO 2450' GL. ENCOUNTERED WATER @ 1220'. RAN 56 JTS (2425') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2438' KB. RDMO CRAIG'S AIR RIG #2.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 300 SX (61.4 BBLs) OF PREMIUM CEMENT W/2% CaCl<sub>2</sub> & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/184.3 BBLs FRESH WATER. DID NOT BUMP PLUG. STOPPED PUMPING W/220# @ 10:04 AM, 12/15/06. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 36 BBL INTO GELLED WATER. CIRCULATED 20 BBLs OF LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB #1: MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/4% CaCl<sub>2</sub> & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 1 HR 20 MIN.

TOP JOB #2: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/4% CaCl<sub>2</sub> & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 1 HR 20 MIN. HOLE FILLED & STOOD FULL. RD BIG 4 CEMENTERS.

TOP JOB #3: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/4% CaCl<sub>2</sub> & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE STOOD FULL. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY TAKEN AT THIS TIME.

E JOHN HELCO NOTIFIED DONNA KENNEY W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 12/14/06 @ 09:00 AM.

12-23-2006 Reported By DUANE C WINKLER

Daily Costs: Drilling		Completion	\$0	Daily Total	
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<b>Cum Costs: Drilling</b>				<b>Completion</b>	\$0		<b>Well Total</b>		
<b>MD</b>	2,438	<b>TVD</b>	2,438	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>Visc</b> 0.0
									<b>PKR Depth : 0.0</b>

Activity at Report Time: RD EQUIPMENT ON CWU 1042-28

Start	End	Hrs	Activity Description
04:00	06:00	2.0	MIRU/RDMO RIG DOWN EQUIPMENT ON THE CWU 1042-28. PREPARE EQUIPMENT FOR TRUCKS. TRUE 27 HAD SIX PERSONNEL WORKING ON RIG DOWN. TRUCKS WILL BE ON LOCATION 12/26/06 AT 07:00 HRS TO START RIG MOVE. CAMP TO BE MOVED 12/23/2006 AT 09:00 HRS, MOVE IS ±2.5 MILES.

NO ACCIDENTS / INCIDENCE

FULL CREWS

NO RIG REPAIRS

SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1042-28 TO CWU 1001-27:

3441 GALS DIESEL

3 JTS OF 4.5" N-80 CASING (126.83')

4 JTS OF 4.5" HC P-110 CASING (172.05')

2 - 4.5" HC P-110 MARKER JT

NOTIFIED JAKE BIRCHELL W/BLM ON 12/27/2006 OF RIG MOVE AND BOP TEST

12-24-2006 Reported By DUANE C WINKLER

<b>Daily Costs: Drilling</b>				<b>Completion</b>	\$0		<b>Daily Total</b>		
<b>Cum Costs: Drilling</b>				<b>Completion</b>	\$0		<b>Well Total</b>		
<b>MD</b>	2,438	<b>TVD</b>	2,438	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>Visc</b> 0.0
									<b>PKR Depth : 0.0</b>

Activity at Report Time: RIG DOWN RIG AND EQUIPMENT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG DOWN EQUIPMENT ON THE CWU 1042-28 PREPARE EQUIPMENT FOR TRUCKS. TRUE 27 HAD ELEVEN PERSONNEL WORKING ON RIG DOWN. INSPECTED DRILL COLLARS, HEAVY WEIGHT DRILL PIPE AND KELLY, THREE DRILL COLLARS AND ONE HEAVY WEIGHT DRILL PIPE FAILED INSPECTION. TRUCKS WILL BE ON LOCATION 12/26/06 AT 07:00 HRS TO START RIG MOVE. CAMP WAS MOVED TO CWU 1001-27. MOVE IS ±2.5 MILES.

NO ACCIDENTS / INCIDENCE

FULL CREWS

NO RIG REPAIRS

SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1042-28 TO CWU 1001-27:

3441 GALS DIESEL

3 JTS OF 4.5", N-80 CASING (126.83')

4 JTS OF 4.5" HC P-110 CASING (172.05')

2 - 4.5" HC P-110 MARKER JT

NOTIFIED JAKE BIRCHELL W/BLM OF RIG MOVE AND BOP TEST ON 12/27/06.

12-26-2006 Reported By PAUL WHITE

Daily Costs: Drilling Completion \$0

Daily Total

Cum Costs: Drilling Completion \$0

Well Total

MD 2,438 TVD 2,438 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: MIRU

Start	End	Hrs	Activity Description
06:00	18:00	12.0	CREWS TOOK CHRISTMAS DAY OFF WHILE DRAWWORKS INPUT SHAFT WAS BEING REPAIRED IN TRUE'S CASPER SHOP. REPAIRS COMPLETE AND SHAFT BEING TRUCKED BACK TO VERNAL FOR INSTALLATION ON RIG.

12-27-2006 Reported By PAUL WHITE

Daily Costs: Drilling Completion \$0

Daily Total

Cum Costs: Drilling Completion \$0

Well Total

MD 2,438 TVD 2,438 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: MIRU

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MOVE IN RIG UP. DRAWWORKS INPUT SHAFT REPAIR COMPLETE IN CASPER SHOP. MOVE RIG FROM CWU 1042-28 TO CWU 1001-27 WITH TRUCKS.

LOCATION STATUS 1042-28. FMC WILL INSTALL NIGHT CAP THIS PM. JCS IS GETTING FENCING AND POSTS TO INSTALL RESERVE PIT FENCE. TRASH BASKET WILL BE MOVED TODAY. LOCATION SHOULD BE CLEAN BY WED 12/27/06. PICTURES WILL FOLLOW.

12-28-2006 Reported By PAUL WHITE

Daily Costs: Drilling Completion

Daily Total

Cum Costs: Drilling Completion

Well Total

MD 2,438 TVD 2,438 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR (ROTARY CLUTCH)

Start	End	Hrs	Activity Description
06:00	17:00	11.0	RIG REPAIR, INSTALL REBUILT DRAWWORKS INPUT SHAFT.
17:00	22:00	5.0	RIG UP, RAISE DERRICK AT 17:30 HRS.
22:00	00:00	2.0	START DAY RATE AT 22:00 HRS, 12/27/06. NIPPLE UP BOP.
00:00	05:00	5.0	TEST BOPS, TEST ALL RAMS, CHOKE MANIFOLD AND HYDRIL TO LOW 250 PSIG AND HIGH 5000 PSIG. TEST HYDRIL 2500 PSIG. PERFORM ACC FUNCTION TEST. INITIAL PSI 2850 FINAL 950 PSIG, RECHARGE TIME 1 MIN 10 SEC. INSTALL WEAR BUSHING.
05:00	05:30	0.5	HOLD SAFETY MEETING WITH WESTATES CREW AND RIG UP TO PICKUP BHA AND DRILL PIPE.
05:30	06:00	0.5	REPAIR ROTARY CLUTCH.

NO ACCIDENTS OR INCIDENTS

FUEL ON HAND 6433 GALS, RECEIVED 4000 GALS, USED 300 GALS

SAFETY MEETINGS HELD W/FRANKS WESTATES LAY DOWN CREW AND DRLG CREW: SAFETY IN V-DOOR/PIPE RAMP/MOVING LINES

12-29-2006 Reported By PAUL WHITE

### Daily Costs: Drilling

<b>Completion</b>	<b>\$0</b>
-------------------	------------

**Daily Total**

### Cum Costs: Drilling

## Completion

**Well Total**

<b>MD</b>	3.352	<b>TVD</b>	3.352	<b>Progress</b>	879	<b>Days</b>	1	<b>MW</b>	8.8	<b>Visc</b>	35.0
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**Formation :**

**PBTD : 0.0**

**Perf :**

**PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	RIG REPAIR, ROTARY CLUTCH.
07:30	12:30	5.0	PICK UP BHA, HWDP AND DRILL PIPE.
12:30	13:00	0.5	INSTALL ROTATING HEAD RUBBER.
13:00	14:00	1.0	RIG REPAIR SWIVEL LEAKING, REPLACE "O" RING.
14:00	15:00	1.0	DRILL CEMENT/FLOAT EQUIP. TAG CEMENT AT 2261'.
15:00	17:00	2.0	RIG REPAIR. REPLACE 4" UNION IN MUD LINE FROM PUMPS. REPLACE SWAB AND LINER IN #2 PUMP. REPAIR AND CLEAN SUCTIONS IN BOILER FEED WATER LINES.
17:00	18:30	1.5	DRILL CEMENT/FLOAT EQUIP. DRILL SHOE AT 2460'. DRILL TO 2473' FOR FIT.
18:30	19:00	0.5	CIRCULATE CLEAN, SPOT HI VIS PILL AND RUN FORMATION INTEGRITY TEST TO 11.5 PPG EMW, 390 PSI.
19:00	19:30	0.5	DRILL 2473' TO 2513'.
19:30	20:00	0.5	SERVICE RIG.
20:00	23:00	3.0	DRILL 2513' TO 2840', 327', 3 HRS, 109 FPH.
23:00	00:30	1.5	WORK ON FOAMED UP MUD AND AIRED UP PUMPS.
00:30	06:00	5.5	DRILL 2840' TO 3352', 512', 5.5 HRS, 93 FPH, 420 GPM, 67 RPM MOTOR, WOB 23, RPM 60, MUD WT, 8.8 VIS 35.

**NO ACCIDENTS OR INCIDENTS**

**SAFETY MEETING: WORKING ON PUMPS/TEAM WORK**

**FUEL ON HAND 5685 GALS, USED 748 GALS**

CHECKED CROWN-O-MATIC

06:00 18.0 SPUD 7 5/8" HOLE AT 19:00 HRS, 12/28/06.

**12-30-2006** **Reported By** **PAUL WHITE**

### Daily Costs: Drilling

## Completion

**Daily Total**

### Cum Costs: Drilling

## Completion

**Well Total**

<b>MD</b>	4,372	<b>TVD</b>	4,372	<b>Progress</b>	1,020	<b>Days</b>	2	<b>MW</b>	9.2	<b>Visc</b>	33.0
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**Formation :**

**PBTD : 0.0**

**Perf :**

**PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 3352' TO 3602', 250', 5.5 HRS, 45 FPH.
11:30	12:00	0.5	SURVEY AT 3524', 2.25 DEG.
12:00	15:00	3.0	DRILL 3602' TO 3695', 93', 3 HRS, 31 FPH.
15:00	15:30	0.5	SERVICE RIG.
15:30	16:30	1.0	DRILL 3695' TO 3708' 13', 1 HR.
16:30	17:00	0.5	CIRC & MIX PILL. CHECK CROWN-O-MATIC. PREPARE FOR TRIP.
17:00	21:00	4.0	TRIP FOR BIT. LAY DOWN REAMERS AND CHANGE MUD MOTOR. RIH, NO FILL.
21:00	06:00	9.0	DRILL 3708' TO 4372', 664', 9 HRS, 73 FPH, 520 GPM, 83 RPM MOTOR, 70 RPM ROTARY, WOB 23, DIFF 250/300. MUD WT 9.6, VIS 33.

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: WIRELINE SURVEY/TRIPPING  
 CHECK CROWN-O-MATIC  
 BOP DRILL 73 SEC, AMAS  
 FUEL ON HAND 4412 GALS, USED 1273 GALS

12-31-2006 Reported By PAUL WHITE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD 5,557 TVD 5,557 Progress 1,185 Days 3	MW 9.7 Visc 35.0		
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL 4372' TO 4496', 124', 62 FPH.
08:00	08:30	0.5	SURVEY AT 4418', 2.25 DEG.
08:30	14:00	5.5	DRILL 4496' TO 4873' 377', 68 FPH.
14:00	14:30	0.5	SERVICE RIG.
14:30	06:00	15.5	DRILL 4873' TO 5557', 684', 44 FPH, 60/75 RPM, WOB 23, 420/520 GPM, MM RPM 67/83. MUD WT 10 PPG, VIS 38.

TOP OF WASATCH 4705', CHAPITA WELLS 5214'

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: DRILL PIPE SCREENS/SURVEYS  
 FUEL ON HAND 2842 GALS, USED 1570 GALS  
 CHECKED CROWN-O-MATIC

01-01-2007 Reported By PAUL WHITE

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD 6,121 TVD 6,121 Progress 564 Days 4	MW 10.0 Visc 40.0		
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL 5557' TO 5966', 409', 8.5 HRS, 48 FPH.
14:30	16:00	1.5	SERVICE RIG, CHANGE EMULSIFIED OIL IN SWIVEL.
16:00	19:00	3.0	DRILL 5966' TO 6060', 94', 3 HRS, 31 FPH.
19:00	20:00	1.0	CIRCULATE, MIX AND PUMP PILL. DROP SURVEY.
20:00	04:00	8.0	TRIP FOR BIT. CHANGE MM, RETRIEVE SURVEY.
04:00	04:30	0.5	WASH/REAM.
04:30	06:00	1.5	DRILL 6060' TO 6121', 61', 1.5 HRS, 41 FPH, WOB 20, 420 GPM, 60 RPM, MM RPM 67. MUD WT 10.1, VIS 40.

TOP OF BUCK CANYON 5888'

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: PPE W/HIGHER PH MUDS/STEAM LINES

CHECK CROWN-O-MATIC

FULL CREWS

FUEL ON HAND 6358 GALS, RECEIVED 4500 GALS, USED 984 GALS

01-02-2007 Reported By PAUL WHITE

<b>Daily Costs: Drilling</b>	<b>Completion</b>	\$0	<b>Daily Total</b>	
<b>Cum Costs: Drilling</b>	<b>Completion</b>		<b>Well Total</b>	
<b>MD</b>	6.850	<b>TVD</b>	6.850	<b>Progress</b>
			729	<b>Days</b>
			5	<b>MW</b>
			10.4	<b>Visc</b>
			36.0	
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>
				<b>PKR Depth : 0.0</b>

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL 6121' TO 6370', 249', 38 FPH.
12:30	13:00	0.5	SERVICE RIG.
13:00	21:30	8.5	DRILL 6370' TO 6653', 283', 33 FPH, RPM 55/65, 420 GPM, MM RPM 67, WOB 23. VERY TIGHT CONNECTION, IT APPEARS SOMETHING FELL IN ON TOP OF BIT.
21:30	22:00	0.5	WORK TIGHT PIPE.
22:00	22:30	0.5	WASH/REAM 6590' TO 6653', OBSTRUCTION DISAPPEARED.
22:30	06:00	7.5	DRILL 6653' TO 6850', 197', 26 FPH, RPM 67, MM RPM 67, WOB 15 TO 25, 420 GPM. MUD WT 10.6, VIS 37/45.

TOP OF NORTH HORN 6573'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: USING BOOM LINE/WORKING TIGHT HOLE

FULL CREWS

TESTED CROWN-O-MATIC

FUEL ON HAND 4712 GALS, USED 1646 GALS

01-03-2007 Reported By PAUL WHITE

<b>Daily Costs: Drilling</b>	+	<b>Completion</b>	\$0	<b>Daily Total</b>
<b>Cum Costs: Drilling</b>	\$	<b>Completion</b>		<b>Well Total</b>
<b>MD</b>	7.066	<b>TVD</b>	7.066	<b>Progress</b>
			216	<b>Days</b>
			6	<b>MW</b>
			10.5	<b>Visc</b>
			38.0	
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>
				<b>PKR Depth : 0.0</b>

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL 6850' TO 6901', 51', 17 FPH.
09:00	09:30	0.5	SERVICE RIG.
09:30	13:30	4.0	DRILL 6901' TO 6963', 62', 15.5 FPH.
13:30	14:30	1.0	CIRCULATE. MIX AND PUMP PILL. BLOW DOWN KELLY.
14:30	18:30	4.0	TRIP FOR BIT. CHANGE MUD MOTOR. CHECK CROWN-O-MATIC.
18:30	19:30	1.0	SLIP & CUT DRILL LINE.
19:30	22:30	3.0	TRIP IN HOLE.
22:30	23:00	0.5	CHANGE OUT ROTATING HEAD RUBBER.
23:00	23:30	0.5	FINISH TRIP IN HOLE.
23:30	00:30	1.0	WASH/REAM. HOLE ON BOTTOM 90' RATTY, 10' FILL.
00:30	06:00	5.5	DRILL 6963' TO 7066', 103', 5.5 HRS, 18 FPH, ROP DROPPED TO 9 FPH. STARTED MIXING FRESH WATER AND PUT BOTH PUMPS ON HOLE @ 0445. MUD WT 10.5, VIS 38.

TOP OF NORTH HORN 6573'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: PINCH POINTS/SLIP AND CUT DRLG LINE

FULL CREWS

CHECK CROWN-O-MATIC

FUEL ON HAND 3441 GALS, USED 1271 GALS

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<b>01-04-2007</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>					<b>Completion</b>				<b>Daily Total</b>		
<b>Cum Costs: Drilling</b>					<b>Completion</b>				<b>Well Total</b>		
<b>MD</b>	7,730	<b>TVD</b>	7,730	<b>Progress</b>	664	<b>Days</b>	7	<b>MW</b>	10.5	<b>Visc</b>	35.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILL 7066' TO 7403', 337', 30 FPH.
17:00	17:30	0.5	SERVICE RIG.
17:30	06:00	12.5	DRILL 7403' TO 7730', 327', 12.5 HRS, 26 FPH, 50/65 RPM, WOB 28/27, 420/575 GPM, MM RPM 67/83, MUD WT 10.9, VIS 38.

TOP OF Kmv PRICE RIVER 7138'

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: COLD WEATHER OPS/AIR TUGGER SAFETY

CHECK CROWN-O-MATIC

FULL CREWS

BOP DRILL 75 SEC AMAS

FUEL ON HAND 1870 GALS, USED 1571 GALS

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<b>01-05-2007</b>	<b>Reported By</b>	ROBERT DYSART, PAUL WHITE									
<b>Daily Costs: Drilling</b>					<b>Completion</b>	\$0			<b>Daily Total</b>		
<b>Cum Costs: Drilling</b>					<b>Completion</b>				<b>Well Total</b>		
<b>MD</b>	8,300	<b>TVD</b>	8,300	<b>Progress</b>	570	<b>Days</b>	8	<b>MW</b>	11.0	<b>Visc</b>	34.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL ROTATE 7730' TO 7834', 104', ROP 23, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 1975 PSI.
10:30	11:00	0.5	PUMP REPAIR.
11:00	16:30	5.5	DRILL ROTATE 7834' TO 7939', 105', ROP 19, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 2000 PSI.
16:30	17:00	0.5	SERVICE RIG.
17:00	06:00	13.0	DRILL ROTATE 7939' TO 8300', 361', ROP 27.7, WOB 25/28K, RPM 40/50 + 67, 420 GPM, 2050 PSI. MW 11.0, 39 VIS.

NO ACCIDENTS

FULL CREWS

SAFETY MEETING: HOUSEKEEPING/CHEMICAL MSDS  
FUEL 4937 GALS, USED 1433 GALS, RECEIVED 4500 GALS

LITHOLOGY: MID PRICE RIVER 7997'  
SANDSTONE 60%, SHALE 10%, SLTSTONE 15%, CARB SHALE 15%  
BG GAS 2200/2500U, CONN GAS 3900/4500U, HIGH GAS 8128U @ 8191'

01-06-2007      Reported By      ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD      8,492      TVD      8,492      Progress      161      Days      9      MW      11.3      Visc      34.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL ROTATE 8300' TO 8440', 140', ROP 17.5, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 2000 PSI.
14:00	14:30	0.5	SERVICE RIG.
14:30	16:00	1.5	DRILL ROTATE 8440' TO 8461', 121', ROP 14, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 2000 PSI.
16:00	16:30	0.5	DROP SURVEY, PUMP SLUG.
16:30	20:30	4.0	TRIP OUT OF HOLE FOR BIT.
20:30	21:30	1.0	MAKE UP BIT & MOTOR.
21:30	02:30	5.0	TRIP IN HOLE TO 8408'.
02:30	03:00	0.5	WASH/REAM 8408' TO 8461', NO FILL.
03:00	06:00	3.0	DRILL ROTATE 8461' TO 8492', 31', 10.3 ROP, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 1875 PSI M/W 11.4, 35 VIS.

NO ACCIDENTS  
FULL CREWS  
SAFETY MEETING: FALL PROTECTION  
FUEL 3740 GALS, USED 1197 GALS

LITHOLOGY: MID PRICE RIVER 7997'  
SANDSTONE 60%, SHALE 10%, SLTSTONE 15%, CARB SHALE 15%  
BG GAS 1500/2000U, CONN GAS 4500/5000U, HIGH GAS 8286U @ 8346'

01-07-2007      Reported By      ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD      8,663      TVD      8,663      Progress      188      Days      10      MW      11.3      Visc      39.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: REPAIR RIG

Start	End	Hrs	Activity Description
06:00	06:30	0.5	WORK ON EXPENDIBLES #2 PUMP.
06:30	16:30	10.0	DRILL ROTATE 8492' TO 8663', 171', ROP 17.1, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 2000 PSI.
16:30	17:00	0.5	SERVICE RIG.
17:00	18:00	1.0	DRILL ROTATE 8663' TO 8680', 17', ROP 17, WOB 20/25K, RPM 40/50 + 67, 420 GPM, 2000 PSI.



18:00 06:00 12.0 EQUIPMENT REPAIR, MODULE WASHOUT, #2 PUMP. WORK PIPE CIRCULATE HOLE #1 PUMP. CHANGE OUT MODULE. MW 11.3, 39 VIS.

NO ACCIDENTS

FULL CREWS

CHECK CROWN-O-MATIC

SAFETY MEETING: LOCK OUT-TAG OUT/PUMP REPAIRS

FUEL 2393 GALS, USED 1347 GALS

LI THOLOGY: MID PRICE RIVER 7997'

SANDSTONE 60%, SHALE 10%, SLTSTONE 15%, CARB SHALE 15%

BG GAS 1500/2000U, CONN GAS 3500/4000U, HIGH GAS 7247U @ 8631'

01-08-2007 Reported By ROBERT DYSART

Daily Costs: Drilling

Completion \$0

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 8,915 TVD 8,915 Progress 252 Days 11 MW 11.1 Visc 34.0

Formation : PBTD : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:30	8.5	PUMP #2 MODULE REPLACEMENT.
14:30	15:00	0.5	DRILL ROTATE 8663' TO 8694', 31', ROP 31.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL ROTATE 8694' TO 8915', 221', ROP 15.2, WOB 20/25K, RPM 45/60 + 67, PSI 2100. MW 11.3, 39 VIS.

NO ACCIDENTS

FULL CREWS

CHECK CROWN-O-MATIC

SAFETY MEETING: COLD WEATHER

FUEL 5759 GALS, USED 1134 GALS, RECEIVED 4500 GALS

LITHOLOGY: MID PRICE RIVER 7997', LOW PRICE RIVER 8803'

SANDSTONE 55%, SHALE 10%, SLTSTONE 15%, CARB SHALE 20%

BG GAS 800/1500U, CONN GAS 3000/3500U, HIGH GAS 8427U @ 8673'

01-09-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling

Completion \$0

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 9,140 TVD 9,140 Progress 226 Days 12 MW 11.5 Visc 36.0

Formation : PBTD : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLED 8914' TO 8976', 62', PRICE RIVER FORMATION, ROP 13', RPM 40/55, MM 60, WOB 22/26K, MW 11.3, VIS 36, NO LOSS/GAIN.
10:30	11:00	0.5	SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.

11:00 13:30 2.5 DRILLED 8976' TO 9003', 27', PRICE RIVER FORMATION, ROP 10', RPM 40/55, MM 60, WOB 22/26K, MW 11.5, VIS 36, NO LOSS/GAIN.

13:30 00:00 10.5 PUMP PILL. TRIP OUT OF HOLE. BIT WORN, JET MISSING, CHANGE OUT MUD MOTOR AND BIT. TRIP IN HOLE.

00:00 06:00 6.0 DRILLED 9003' TO 9140', 137', PRICE RIVER FORMATION, ROP 23', RPM 45/55, MM 60, WOB 18/24K, MW 11.4, VIS 37, NO LOSS/GAIN.

NO ACCIDENTS/INCIDENCE

NO RIG REPAIRS

FULL CREWS

SAFETY MEETING: TRIPPING PIPE/WORKING TUBLARS

FUEL ON HAND 4263 GALS, USED 1496 GALS

LITHOLOGY: PRICE RIVER: SH 15%, SLTSTN 15%, SS 50%, CRSH 20%

BG GAS 2000U/2500U, CONN GAS 1200U/1800U, HIGH GAS 8263U @ 9040'

FORMATION TOPS:

GREEN RIVER 1537'

WASATCH 4705'

CHAPITA WELLS 5214'

BUCK CANYON 5888'

NORTH HORN 6573'

KMOV PRICE RIVER 7138'

KMOV PRICE RIVER MIDDLE 7997'

KMOV PRICE RIVER LOWER 8803'

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01-10-2007      Reported By      DUANE C WINKLER

<b>Daily Costs: Drilling</b>	<b>Completion</b>	\$0	<b>Daily Total</b>
<b>Cum Costs: Drilling</b>	<b>Completion</b>		<b>Well Total</b>

<b>MD</b>	9,355	<b>TVD</b>	9,355	<b>Progress</b>	215	<b>Days</b>	13	<b>MW</b>	11.5	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>				<b>Perf :</b>	<b>PKR Depth : 0.0</b>					

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLED 9140' TO 9155', 15', PRICE RIVER FORMATION, ROP 15', RPM 40/55, MM 60, WOB 22/26K, MW 11.4, VIS 36, NO LOSS/GAIN.
07:00	07:30	0.5	SERVICE RIG. FUNCTION TESTED CROWN-O-MATIC.
07:30	10:30	3.0	DRILLED 9155' TO 9177', 22', PRICE RIVER FORMATION, ROP 7', RPM 40/55, MM 60, WOB 22/26K, MW 11.4 VIS 37, NO LOSS/GAIN.
10:30	11:30	1.0	CONDITON MUD, PUMP PILL.
11:30	19:30	8.0	TRIP OUT OF HOLE, BIT WORN, MUD MOTOR WORN. CHANGED OUT MUD MOTOR AND BIT. TRIP IN HOLE.
19:30	22:30	3.0	WASH/REAM FROM 8931' TO 9177', 246', MW 11.5, VIS 38, NO LOSS/GAIN.
22:30	06:00	7.5	DRILLED 9177' TO 9355', 178', SEGO FORMATION, ROP 24', RPM 45/55, MM 60, WOB 12/15K, MW 11.6 VIS 37, NO LOSS/GAIN.

NO ACCIDENTS

NO RIG REPAIRS

FULL CREWS

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SAFETY MEETING: #1 TRIPPING PIPE/STEAM LINES

FUEL ON HAND 2917 GALS, USED 1346 GALS

LITHOLOGY: SEGO: SH 15%, SLTSTN 20%, SS 55%, CRSH 10%

BG GAS: 3500U/4000U, CONN GAS: 4500U/5000U, HIGH GAS 8754U @ 9255'

## FORMATION TOPS

GREEN RIVER 1537'

WASATCH 4705'

CHAPITA WELLS 5214'

BUCK CANYON 5888'

NORTH HORN 6573'

KMV PRICE RIVER 7138'

KMV PRICE RIVER MIDDLE 7997'

KMV PRICE RIVER LOWER 8803'

SEGO 9253'

01-11-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD	9,425	TVD	9,425	Progress	70	Days	14	MW	11.7	Visc	34.0
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Formation : PBTD : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: SET UP EQUIPMENT TO CEMENT

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILLED 9355' TO 9383', 28', SEGO FORMATION, ROP 56', RPM 40/55, MM 60, WOB 12/14K, MW 11.7 VIS 37, NO LOSS/GAIN.
06:30	07:00	0.5	SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.
07:00	09:30	2.5	DRILLED 9383' TO 9425', 42', SEGO FORMATION, ROP 17', RPM 40/55, MM 60, WOB 12/14K, MW 11.7 VIS 37, NO LOSS/GAIN.
09:30	10:30	1.0	SHORT TRIP TO 9155' TD, MW 11.7, VIS 37, NO FLOW, NO LOSS/GAIN, TRIP BACK TO BTM. REACHED TD ON 1/10/2007 @ 09:30 HRS. SET UP LAY DOWN EQUIPMENT. SAFETY MEETING.
10:30	18:30	8.0	LAY DOWN DRILL PIPE, BHA & TOOLS.
18:30	19:00	0.5	PULL WEAR BUSHING. SAFETY MEETING. RAN SURVEY @ 9347', 2 DEGREE.
19:00	02:00	7.0	RAN TOTAL OF 222 JTS (219 FULL JTS + 2 MARKER JTS + 1 SHORT JT) OF 4 1/2", 11.6#, N-80 PRODUCTION CASING. LANDED AT 9425'. RAN AS FOLLOWS: FS, SHORT JT, FLOAT COLLAR @ 9401', 52 JTS CASING, MARKER JT AT 7162', 67 JTS CASING, MARKER JT AT 4,293', 100 JTS CASING. CENTRALIZERS PLACED @ MIDDLE OF SHOE JT, TOP OF JT #2 AND EVERY OTHER JT AFTER FOR A TOTAL OF 30.
02:00	05:00	3.0	CIRCULATE HOLE. SCHLUMBERGER COULD NOT LOCATE A DRIVER.
05:00	06:00	1.0	SCHLUMBERGER ARRIVED ON LOCATION. SETTING UP SCHLUMBERGER EQUIPMENT TO CEMENT, MW 11.7, VIS 37, NO LOSS/GAIN.

NO ACCIDENTS/INCIDENCE

NO RIG REPAIRS: FULL CREWS

SAFETY MEETING: LAY DOWN DRILL PIPE/RUN CASING

FUEL ON HAND 1870 GALS, USED 1047 GALS

## FORMATION TOPS:

GREEN RIVER 1537'  
 WASATCH 4705'  
 CHAPITA WELLS 5214'  
 BUCK CANYON 5888'  
 NORTH HORN 6573'  
 KMV PRICE RIVER 7138'  
 KMV PRICE RIVER MIDDLE 7997'  
 KMV PRICE RIVER LOWER 8803'  
 SEGO 9253'  
 TOTAL DEPTH 9425'

01-12-2007      Reported By      DUANE C WINKLER

<b>Daily Costs: Drilling</b>				<b>Completion</b>				<b>Daily Total</b>		
<b>Cum Costs: Drilling</b>				<b>Completion</b>				<b>Well Total</b>		
<b>MD</b>	9,425	<b>TVD</b>	9,425	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b> 0.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>	

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
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06:00	10:00	4.0	RELEASE MUD LOGGER 1/11/07 @ 08:00 HRS, 1/11/07. SCHLUMBERGER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 140 BBLS LEAD SLURRY, 35/65 POZ "G" SLURRY WT 13 PPG, 450 SX. FOLLOWED W/353 BBLS. TAIL SLURRY, 50/50 POZ "G" SLURRY WT 14.1 PPG, 1540 SX. DISPLACED W/146 BBLS WATER. BUMPED PLUG W/3,400 PSI, CHECKED FLOATS OK. LANDED 219 JTS 4.5", 11.6#, N-80 CASING. TESTED HANGER SEALS TO 5,000 PSI. CEMENT IN PLACE AT 10:00 HRS, 1/11/07.
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10:00	12:00	2.0	CLEAN MUD PITS. RIG DOWN.
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NO ACCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETING HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1001-27 TO CWU 700-03GR:  
 3500 GALS DIESEL  
 3 JTS OF 4.5", N-80 CASING (126.83')

RIG MOVE ±8 MILES OF ROUGH ROAD TO THE CWU 700-03GR

MOVING CAMP ON 1/11/2007 @ 1200 HRS TO CWU 700-03GR  
 1/12/07 07:00 HRS TRUCKS ARE SCHEDULE TO MOVE RIG  
 ESTIMATED COMPLETING RIG UP 1/13/07  
 BOP TEST AND SPUD 1/14/2007

BLM JAKE BIRCHELL (435-781-4482) NOTIFIED ON RIG MOVE AND BOP TEST SCHEDULE

12:00	12.0	RIG RELEASED AT 12:00 HRS, 1/11/2007. CASING POINT COST \$1,046,775
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01-17-2007 Reported By SEARLE

Daily Costs: Drilling \$0

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 9,425 TVD 9,425 Progress 0 Days 16 MW 0.0 Visc 0.0

Formation : PBTB : 9401.0

Perf :

PKR Depth : 0.0

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOB WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 50'. EST CEMENT TOP @ 1060'. RD SCHLUMBERGER.

02-10-2007 Reported By MCCURDY

Daily Costs: Drilling \$0

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 9,425 TVD 9,425 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : PBTB : 9401.0

Perf :

PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
11:00	12:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

02-13-2007 Reported By MCCURDY

Daily Costs: Drilling \$0

Completion

Daily Total

Cum Costs: Drilling

Completion

Well Total

MD 9,425 TVD 9,425 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9401.0

Perf : 8664'-9223'

PKR Depth : 0.0

Activity at Report Time: FRAC MPR/UPR

Start	End	Hrs	Activity Description
06:00	19:30	13.5	RU CUTTERS WIRELINE. PERFORATES LPR FROM 8950'-51', 8991'-92', 9012'-13', 9019'-20', 9035'-36', 9059'-60', 9088'-89', 9099'-100', 9111'-12', 9144'-45', 9156'-57', 9173'-74', 9179'-80', 9200'-01' & 9222'-23' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10387 GAL WF120 PAD, 48499 GAL WF120 WITH 90,200# 20/40 SAND @ 1-3 PPG. MTP 6908 PSIG. MTR 53.2 BPM. ATP 5528 PSIG. ATR 47.7 BPM. SCREENED OUT WITH 68 BBLs FLUSH REMAINING. 6800# PROP LEFT IN PIPE. RD SCHLUMBERGER. FLOWED 200 BLW.

RUWL. SET 10K CFP AT 8905'. PERFORATED LPR FROM 8664'-65', 8699'-10', 8720'-21', 8735'-36', 8782'-83', 8793'-94', 8804'-05', 8815'-16', 8829'-30', 8847'-48', 8860'-61', 8869'-70', 8877'-78' & 8884'-85' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10427 GAL WF120 PAD, 58537 GAL WF120 WITH 122,000# 20/40 SAND @ 1-3 PPG. MTP 6561 PSIG. MTR 50.3 BPM. ATP 5595 PSIG. ATR 44.1 BPM. ISIP 2860 PSIG. RD SCHLUMBERGER. SDFN.

02-14-2007 Reported By MCCURDY

Daily Costs: Drilling \$0

Completion

Daily Total

Cum Costs: Drilling \$

Completion

Well Total

MD 9,425 TVD 9,425 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9401.0

Perf : 7718'-9223'

PKR Depth : 0.0

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00 17:00 11.0 SICP 2430 PSIG. RUWL. SET 10K CFP AT 8625'. PERFORATED MPR FROM 8308'-09', 8327'-28', 8346'-47', 8354'-55', 8386'-87', 8397'-98', 8404'-05', 8413'-14', 8422'-23', 8442'-43', 8468'-69', 8503'-04', 8554'-55' & 8600'-01' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10380 GAL WF120 PAD & 64674 GAL WF120 WITH 142000# 20/40 SAND @ 1-3 PPG. MTP 6238 PSIG. MTR 50.4 BPM. ATP 4538 PSIG. ATR 46.3 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8280'. PERFORATED MPR FROM 8120'-21', 8129'-30', 8145'-46', 8160'-61', 8170'-71', 8181'-82', 8198'-99', 8207'-08', 8213'-14', 8220'-21', 8229'-30' & 8261'-62' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10370 GAL WF120 PAD & 66616 GAL WF120 WITH 147900# 20/40 SAND @ 1-3 PPG. MTP 6283 PSIG. MTR 50.2 BPM. ATP 4762 PSIG. ATR 47.7 BPM. ISIP 2420 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8072'. PERFORATED MPR FROM 7955'-56', 7964'-65', 7974'-75', 7979'-80', 7993'-94', 8009'-10', 8020'-21', 8029'-30', 8039'-40', 8047'-48' & 8052'-53' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10417 GAL WF120 PAD & 66863 GAL WF120 WITH 148000# 20/40 SAND @ 1-3 PPG. MTP 6604 PSIG. MTR 50.2 BPM. ATP 5163 PSIG. ATR 44.9 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7920'. PERFORATED UPR FROM 7718'-19', 7727'-28', 7733'-34', 7744'-45', 7748'-49', 7757'-58', 7772'-73', 7821'-22', 7844'-45', 7862'-63', 7875'-76' & 7900'-01' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10381 GAL WF120 PAD, 49343 GAL WF120 WITH 97000# 20/40 SAND @ 1-3 PPG. MTP 6629 PSIG. MTR 50.5 BPM. ATP 5141 PSIG. ATR 46.3 BPM. ISIP 2560 PSIG. RD SCHLUMBERGER. SDFN.

02-15-2007 Reported By MCCURDY

Daily Costs: Drilling		\$0	Completion		Daily Total	
Cum Costs: Drilling			Completion		Well Total	
MD	9,425	TVD	9,425	Progress	0	Days
					20	MW
Formation : MESAVERDE		PBTD : 9401.0	Perf : 7133'-9223'		PKR Depth : 0.0	
Activity at Report Time: PREP TO SET CBP						

Start End Hrs Activity Description

06:00 14:00 8.0 SICP 1800 PSIG. RUWL SET 10K CFP AT 7670'. PERFORATED UPR FROM 7426'-27', 7432'-33', 7457'-58', 7463'-64', 7470'-71', 7503'-04', 7515'-16', 7599'-7600', 7607'-08', 7613'-14', 7627'-28' & 7645'-46' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10364 GAL WF120 PAD, 52174 GAL WF120 WITH 104600# 20/40 SAND @ 1-3 PPG. MTP 5833 PSIG. MTR 50.3 BPM. ATP 4354 PSIG. ATR 47.6 BPM. ISIP 2570 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7133'. PERFORATED UPR FROM 7133'-34', 7155'-56', 7193'-94', 7206'-07', 7215'-16', 7228'-29', 7250'-51', 7263'-64', 7279'-80', 7316'-17', 7329'-30' & 7336'-37' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10362 GAL WF120 PAD, 67464 GAL WF120 WITH 150400# 20/40 SAND @ 1-3 PPG. MTP 5614 PSIG. MTR 48 BPM. ATP 4431 PSIG. ATR 48 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER. SDFN.

02-16-2007 Reported By BAUSCH

Daily Costs: Drilling		\$0	Completion		Daily Total	
Cum Costs: Drilling			Completion		Well Total	
MD	9,425	TVD	9,425	Progress	0	Days
					21	MW
Formation : MESAVERDE		PBTD : 9401.0	Perf : 7133'-9223'		PKR Depth : 0.0	
Activity at Report Time: WO BLM WILDLIFE EXCEPTION						

Start End Hrs Activity Description

07:00 15:00 8.0 WO BLM OK FOR WILDLIFE EXCEPTION.

02-17-2007 Reported By BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>		<b>Daily Total</b>	
<b>Cum Costs: Drilling</b>		<b>Completion</b>		<b>Well Total</b>	
<b>MD</b>	9,425	<b>TVD</b>	9,425	<b>Progress</b>	0
				<b>Days</b>	22
<b>Formation : MESAVERDE</b>		<b>PBTD : 9401.0</b>		<b>Perf : 7133'-9223'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: CLEAN OUT AFTER FRAC

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
09:00	18:30	9.5	MIRUSU. RUWL. SET CBP @ 7100'. RDWL. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF BIT SUB TO 5734'. SDFN.

02-18-2007 Reported By BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>		<b>Daily Total</b>	
<b>Cum Costs: Drilling</b>		<b>Completion</b>		<b>Well Total</b>	
<b>MD</b>	9,425	<b>TVD</b>	9,425	<b>Progress</b>	0
				<b>Days</b>	23
<b>Formation : MESAVERDE</b>		<b>PBTD : 9401.0</b>		<b>Perf : 7133'-9223'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: CLEAN OUT AFTER FRAC

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
07:00	18:30	11.5	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7100', 7370', 7670', 7920' & 8072'. HIGH TORQUE & DRAG DRILLING PLUG @ 8072'. RIH TO PLUG @ 8280'. UNABLE TO DRILL DUE TO HIGH TORQUE STALLING SWIVEL. POH 10 STDs IN ATTEMPT TO CLEAR DEBRIS. RIH. STILL UNABLE TO DRILL. POH ABOVE PERFS. SDFW.

02-20-2007 Reported By BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>		<b>Daily Total</b>	
<b>Cum Costs: Drilling</b>		<b>Completion</b>		<b>Well Total</b>	
<b>MD</b>	9,425	<b>TVD</b>	9,425	<b>Progress</b>	0
				<b>Days</b>	24
<b>Formation : MESAVERDE</b>		<b>PBTD : 8280.0</b>		<b>Perf : 7133'-9223'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
07:00	06:00	23.0	SICP 3000 PSIG. UNABLE TO DRILL PLUGS (REMAINING PLUGS @ 8280', 8625' & 8905'). POH. LANDED TBG @ 7111' KB. ND BOPE. NU TREE. RUWL. PERFORATED TBG @ 4 SPF FROM 7106-08'. RDWL. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 2200 PSIG. CP 3000 PSIG. 35 BFPH. RECOVERED 473 BLW. 12738 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB & BIT 2.03'  
 1 JT 2-3/8" 4.7# N-80 PERFORATED TBG 32.70'  
 XN NIPPLE 1.10'  
 218 JTS 2-3/8" 4.7# N-80 TBG 7061.77'  
 BELOW KB 13.00'  
 LANDED @ 7110.60' KB

02-21-2007 Reported By BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>		<b>Daily Total</b>	
<b>Cum Costs: Drilling</b>		<b>Completion</b>		<b>Well Total</b>	
<b>MD</b>	9,425	<b>TVD</b>	9,425	<b>Progress</b>	0
				<b>Days</b>	25
				<b>MW</b>	0.0
				<b>Visc</b>	0.0

**Formation : MESAVERDE****PBTD : 8280.0****Perf : 7133'-9223'****PKR Depth : 0.0****Activity at Report Time: FLOW TEST TO SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 1850 PSIG. CP 3250 PSIG. 41 BFPH. RECOVERED 899 BLW. 11830 BLWTR. 1500 MCFD RATE.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other  
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,  
Other \_\_\_\_\_

2. Name of Operator **EOG Resources, Inc.**3. Address **600 17th Street, Suite 1000N, Denver, CO 80202**3a. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface **674' FNL & 874' FWL (NWNW) 40.012392 LAT 109.432425 LON**At top prod. interval reported below **Same**At total depth **Same**14. Date Spudded  
**12/09/2006**15. Date T.D. Reached  
**01/10/2007**16. Date Completed **02/20/2007**  
☐ D & A ☒ Ready to Prod.17. Elevations (DF, RKB, RT, GL)\*  
**4936' NAT GL**18. Total Depth: MD **9155**  
TVD19. Plug Back T.D.: MD **8280**  
TVD20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

**RST/CBL/CCL/VDL/GR**22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run? ☒ No ☐ Yes (Submit report)  
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2438		650 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-9425		1990 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7111							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7133	9223	8950-9223		2/spf	
B)			8664-8885		2/spf	
C)			8308-8601		2/spf	
D)			8120-8262		3/spf	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
8950-9223	59,051 GALS GELLED WATER & 90,200# 20/40 SAND
8664-8885	69,129 GALS GELLED WATER & 122,000# 20/40 SAND
8308-8601	75,219 GALS GELLED WATER & 142,000# 20/40 SAND
8120-8262	77,151 GALS GELLED WATER & 147,900# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/20/2007	02/28/2007	24	→	20	1,308	312			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	PRODUCING GAS WELL
20/64"	1600	2250	→	20	1,308	312			

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

\*(See instructions and spaces for additional data on page 2)

RECEIVED

MAR 09 2007

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Mesaverde	7133	9223		Wasatch Chapita Wells Buck Canyon North Horn Mesaverde Middle Price River Lower Price River Sego Castlegate	4620 5197 5836 6659 7095 7944 8743 9233 9347

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)    ☐ Geologic Report    ☐ DST Report    ☐ Directional Survey  
☐ Sundry Notice for plugging and cement verification    ☐ Core Analysis    ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Mary A. MaestasTitle Regulatory Assistant

Signature

Mary A. MaestasDate 03/05/2007

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Chapita Wells Unit 1001-27 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7955-8053	3/spf
7718-7901	3/spf
7426-7646	3/spf
7133-7337	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7955-8053	77,445 GALS GELLED WATER & 148,000# 20/40 SAND
7718-7901	59,889 GALS GELLED WATER & 97,000# 20/40 SAND
7426-7646	62,703 GALS GELLED WATER & 104,600# 20/40 SAND
7133-7337	77,991 GALS GELLED WATER & 150,400# 20/40 SAND

Perforated the Lower Price River from 8950-8951', 8991-8992', 9012-9013', 9019-9020', 9035-9036', 9059-9060', 9088-9089', 9099-9100', 9111-9112', 9144-9145', 9156-9157', 9173-9174', 9179-9180', 9200-9201' & 9222-9223' w/ 2 spf.

Perforated the Lower Price River from 8664-8665', 8699-8700', 8720-8721', 8735-8736', 8782-8783', 8793-8794', 8804-8805', 8815-8816', 8829-8830', 8847-8848', 8860-8861', 8869-8870', 8877-8878' & 8884-8885' w/ 2 spf.

Perforated the Middle Price River from 8308-8309', 8327-8328', 8346-8347', 8354-8355', 8386-8387', 8397-8398', 8404-8405', 8413-8414', 8422-8423', 8442-8443', 8468-8469', 8503-8504', 8554-8555' & 8600-8601' w/ 3 spf.

Perforated the Middle Price River 8120-8121', 8129-8130', 8145-8146', 8160-8161', 8170-8171', 8181-8182', 8198-8199', 8207-8208', 8213-8214', 8220-8221', 8229-8230' & 8261-8262' w/ 3 spf.

Perforated the Middle Price River from 7955-7956', 7964-7965', 7974-7975', 7979-7980', 7993-7994', 8009-8010', 8020-8021', 8029-8030', 8039-8040', 8047-8048' & 8052-8053' w/ 3 spf.

Perforated the Upper Price River from 7718-7719', 7727-7728', 7733-7734', 7744-7745', 7748-7749', 7757-7758', 7772-7773', 7821-7822', 7844-7845', 7862-7863', 7875-7876' & 7900-7901' w/ 3 spf.

Perforated the Upper Price River from 7426-7427', 7432-7433', 7457-7458', 7463-7464', 7470-7471', 7503-7504', 7515-7516', 7599-7600', 7607-7608', 7613-7614', 7627-7628' & 7645-7646' w/ 3 spf.

Perforated the Upper Price River from 7133-7134', 7155-7156', 7193-7194', 7206-7207', 7215-7216', 7228-7229', 7250-7251', 7263-7264', 7279-7280', 7316-7317', 7329-7330' & 7336-7337' w/ 3 spf.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU0285A

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS UNI

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1001-27

2. Name of Operator  
EOG RESOURCES INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-36923

3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 80202

3b. Phone No. (include area code)  
Ph: 303-824-5526

10. Field and Pool, or Exploratory  
NATURAL BUTTES/MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 27 T9S R22E NWNW 674FNL 874FWL  
40.01239 N Lat, 109.43242 W Lon

11. County or Parish, and State  
UINTAH COUNTY, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58106 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A. Maestas*

Date 01/16/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED**

**RECEIVED**

**JAN 18 2008**

**DIV. OF OIL, GAS & MINING**